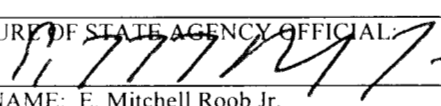



TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	
FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 05-004
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	2. STATE Indiana
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
6. FEDERAL STATUTE/REGULATION CITATION: 1932(c)(2) & 1902(d) of the Act	4. PROPOSED EFFECTIVE DATE <del>April 1, 2005</del> March 1, 2005
7. FEDERAL BUDGET IMPACT: a. FFY 2005 \$ 67,500 b. FFY 2006 \$ 67,500	8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: text pages 46 and 50a
9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Text pages 46 and 50a	10. SUBJECT OF AMENDMENT: quality review of managed care plans
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	12. SIGNATURE OF STATE AGENCY OFFICIAL: 
13. TYPED NAME: E. Mitchell Roob Jr.	14. TITLE: Secretary, FSSA
15. DATE SUBMITTED: 4/4/05	16. RETURN TO: E. Mitchell Roob Jr., Secretary Indiana Family & Social Services Administration Office of Medicaid Policy and Planning 402 West Washington, Room W382 Indianapolis, IN 46204 ATTN: Tracy Brunner, State Plan Coordinator
FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: 4/4/05	18. DATE APPROVED: 3/13/05
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Cheryl A. Harris	22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health
23. REMARKS:	

RECEIVED  
APR 08 2005  
DMCH - Medicaid/WHI

Revision: HCFA-PM-91-10 (MB)  
DECEMBER 1991

State/Territory: Indiana

Citation 4.14 Utilization/Quality Control

42 CFR 431.60  
42 CFR 456.2  
50 FR 15312  
1902(a)(30)(C) and  
1902(d) of the  
Act, P.L. 99-509  
(Section 9431)

(a) A Statewide program of surveillance and utilization control has been implemented that safeguards against unnecessary or inappropriate use of Medicaid services available under this plan and against excess payments, and that assesses the quality of services. The requirements of 42 CFR Part 456 are met:

X Directly

By undertaking medical and utilization review requirements through a contract with a Utilization and Quality Control Peer Review Organization (PRO) designated under 42 CFR Part 462. The contract with the PRO —

- (1) Meets the requirements of §434.6(a):
- (2) Includes a monitoring and evaluation plan to ensure satisfactory performance;
- (3) Identifies the services and providers subject to PRO review;
- (4) Ensures that PRO review activities are not inconsistent with the PRO review of Medicare services; and
- (5) Includes a description of the extent to which PRO determinations are considered conclusive for payment purposes.

1932(c)(2)  
and 1902(d) of the  
ACT, P.L. 99-509  
(section 9431)

X A qualified External Quality Review Organization performs an annual External Quality Review that meets the requirements of 42 CFR 438 Subpart E each managed care organization, prepaid inpatient health plan, and health insuring organizations under contract, except where exempted by the regulation

TN # 05-004  
Supersedes  
TN # 92-02

Approval Date MAY 11 2005 Effective Date March 1, 2005

Revision: HCFA-PM-91-10 (MB)  
December 1991

State/Territory: Indiana

Citation 4.14 Utilization/Quality Control (Continued)

42 CFR 438.356(e)

For each contract, the State must follow an open, competitive procurement process that is in accordance with State law and regulations and consistent with 45 CFR part 74 as it applies to State procurement of Medicaid services.

42 CFR 438.354

42 CFR 438.356(b) and (d)

The State must ensure that an External Quality Review Organization and its subcontractors performing the External Quality Review or External Quality Review-related activities meets the competence and independence requirements.

\_\_\_ Not applicable.

TN # 05-004  
Supersedes  
TN # 91-25

Approval Date MAY 18 2005

Effective Date March 1, 2005